



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0778
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Title:	Clarify government exemption from oil and gas production taxes
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Primary Sponsor:	Stahl, Wayne
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Status:	As Introduced
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| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill exempts state and local governments from the oil and natural gas production tax.

FISCAL ANALYSIS

Assumptions:

1. Section one of this bill amends 15-36-334, MCA, by adding new subsection (8) "Production from a well owned by the state or a local government or a working interest or nonworking interest owned by the state or a local government is exempt from taxation under this section."
2. The state and local governments are not paying these taxes currently, but could be required to under the law. This bill changes the law, so they do not have to pay the oil and gas taxes.
3. Section two of this bill would make it effective on passage and approval.
4. Section three of this bill would make it retroactively applicable to production on or after December 31, 2006.

Technical Notes:

1. The amendments adopted in the house committee will not change the fiscal impact of this bill.

Sponsor's Initials

Date

Budget Director's Initials

Date